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1245.007

Amendment to the Specification:

On pages 10-11, please amend the paragraph beginning at page 10, line 29, as follows:

A particular distortion is considered inaudible if it is not consistent with the immediate context provided by preceding distortions. This effect is herein defined as perceptual inertia. That is, if the sign of the current error is opposite to the sign of the average error over a short time interval, the error is considered inaudible. The duration of this memory is close to 80 msec, which is the approximate time for the asymptotic integration of loudness of a constant energy stimulus by human listeners. In practice, the energy is accumulated over time, and data from several successive frames determine the state of the memory. At each time step, the window is shifted one frame and each basilar degradation component of basilar degradation ~~signal 36~~ signal 36 is summed algebraically over the duration of the window. Clearly, the magnitudes of the window sums depend on the size of the distortions, and whether their signs change within the window. The signs of the sums indicate the state of the memory at that extended instant in time.